

DOCUMENTARY CREDIT APPLICATION

From Name:
Address:

PLEASE OPEN ON OUR BEHALF AN **IRREVOCABLE** CREDIT TO BE **CONFIRMED/UNCONFIRMED** IN FAVOUR OF THE BENEFICIARY AS FOLLOWS: (delete where not applicable)

a. To be available sight usance.....days after.....

b. Draft drawn by the beneficiary at your option on your affiliate or any of your correspondent bank

BENEFICIARY	ADVISING BANK (if any)	CONFIRMING BANK (if any)
NAME/ADDRESS:.....	NAME/ADDRESS:.....	NAME/ADDRESS:.....

VALUE OF CREDIT

IN FIGURES:.....
IN WORDS:.....
F.O.B./C&F.....
(delete where not applicable) (10% more/less/maximum)

DESCRIPTION OF GOODS

PRODUCT / QUANTITY:

DOCUMENTS REQUIRED

A. 1 Original Combined Certificate of Value and Origin(CCVO) and copies.

B. Packing list (number).....

C. Full set (less one) Clean on Board Ocean Bill of Lading issued to order of Stanbic IBTC Bank Plc, Stanbic IBTC Place Walter Carrington Crescent, P.O. BOX 71707, Victoria Island, Lagos, Nigeria marked "Freight Prepaid" claused 'Shipped on Board' or 'Clean on Board' issued by the master of carrying vessel or his agent or the carrier or his agent Notifying:.....
OR

D. 1 Original and 2 copies Airway Bill consigned to applicant, marked "Freight Prepaid" issued by the carrier or his agent and notify;.....

E. 1 Original Manufacturer's Certificate of Production stating the standards to which the goods have been produced (e.g NIS, British Standards, ISO, IES, DIN etc) and copies

F. Others.....

SHIPMENT

SHIPMENT FROM..... TO.....

PART SHIPMENT Allowed/ Not allowed TRANSHIPMENT Allowed/ Not allowed (Delete where not applicable)

LATEST SHIPMENT DATE..... **EXPIRY DATE OF L/C**.....

SPECIAL CONDITIONS

A. A Certificate is required from the beneficiary confirming that one complete set of shipping documents (as listed below) has been sent direct by Courier:

1. 2.
3. 4.

B. All documents must bear LC reference number and Form M number.

C. Documents must be presented within 21 days of shipment.

D. All goods to be imported into Nigeria must be labelled in English

E. All overseas bank advising, negotiation and amendment charges or commission outside Nigeria are for the account of the **BENEFICIARY/APPLICANT.** (Delete any conditions that are not applicable)

OTHERS.....

Terms and Conditions

In consideration of you issuing a Credit in the form used by you as set out in the application (the "Credit") I/we hereby agree that the following terms and conditions shall apply to the Credit.

1. I/We undertake to provide funds either in the foreign currency in which the draft is drawn or the Naira equivalent thereof in the case of drafts drawn at sight in terms of the credit on demand and in the case of all other drafts at maturity to meet the obligations of yourselves and your agents in paying such drafts. Payment shall be made by me/us in Lagos in full without any set-off, counterclaim, deduction or withholding. If I/we shall fail to provide such funds on demand or maturity as the case may be you are authorised to debit any of my/our account(s) in your books whether in credit or otherwise with such currency or currencies of all drawings honoured on and under the credit by you. You may also debit such account(s) with the cost of the relative cables when advice of drawings is cabled to you, and all interest, charges, expenses, costs and amounts payable by me/us to you under the terms of the Credit and/or under the terms contained herein.
2. I/We hereby agree that the rate of exchange at which the drawings shall be converted shall be your ruling inter-bank selling rate for the foreign currency in which drafts are drawn ruling upon the date payments are to be debited to my/our account(s) or on the date upon which you are able to sell me/us such foreign currency to cover the drawings. Where I/we elect to take out with you forward exchange to cover the foreign currency amount of the drawings, such drawings will be converted at the forward exchange contract rate. I/We acknowledge that responsibility for informing you that conversion is to be affected at the forward exchange contract rate rest with me/us.
3. Furthermore, I/we agree that if such reimbursement is effected by me/us subsequent to the date specified in clause 1, interest at your ruling rate for such transactions shall accrue on such amounts as well after as before judgement calculated on the basis of actual days elapsed and a 365-day year, from the date when such amounts were first paid by you until reimbursement of such amounts by me/us and such interest may be debited to my/our account(s).
4. Should you elect, before settlement by me/us of the covering draft(s), to hand me/us any/or all the documents presented to you pursuant to the credit for the purpose of clearing and realising the relative goods or for any other purposes, I/we undertake to assign to you all our rights as unpaid sellers, to transfer the goods into your control and until payment by me/us of all amounts due to you from me/us I/we undertake to hold the said documents and/or goods on your behalf and on receipt of the proceeds thereof to pay you forthwith and until so paid to hold such proceeds on your behalf.
5. (a) I/We acknowledge and agree that neither the Bank nor its agents will be required to investigate the genuineness accuracy or validity of any documents tendered under the Credit and that you accept no responsibility for the genuineness, accuracy or validity of any such documents or for the detention, loss or deterioration of or any damage to or the quantity, quality, value, description, condition or delivery of the goods.
(b) You will not be responsible for the sufficiency of the policy(ies) for which the goods are insured nor for any default of the insurers; furthermore the amount for which the goods are insured is to be held available to you until payment is made by me/us.
(c) I/We undertake that all goods represented by or referred to in documents to be tendered under the Credit shall be fully insured against all risks, and all claims shall be payable in Naira in Lagos unless otherwise agreed or required by you. I/We authorise you to collect the amount due under any insurance and I/we undertake such steps as you may require to collect on your behalf or to enable you to collect the amount of any such claim. I/We undertake not to do or omit to be done any such act or thing by which any such policy may be or become invalidated, cancelled or altered. If I/we fail to insure as above you shall be at the liberty to effect insurance at your discretion and I/we shall reimburse you on demand all costs and expenses incurred in that respect by you. In the event that any insurance monies are paid to or received by me/us we shall forthwith pay the same to you and until so paid I/we shall hold such insurance monies on your behalf.
(d) I/We undertake to pay all transportation charges, landing charges, warehouse charges, storage charges and all other charges and expenses in relation to the above mentioned goods. If I/we shall fail to do so you are authorised to pay any such charges or expenses on my/our behalf and I/we undertake to reimburse to you on demand in respect of all such payment.
(e) All documents received by you or your agents under the Credit and the goods represented thereby shall be pledged to you as security for the due payment by me/us of all monies due to you from me/us in respect of the Credit and of all my/our indebtedness or liability to you from time to time on any account.
(f) I/We shall on request by you at any time execute and sign all such transfers, powers of attorney, further assurances or other documents and do all such other acts and things as you may require to realise or to vest the goods or any of them in you or your nominees or a purchaser or a transferee or to perfect or preserve your rights and interests under or pursuant to this agreement and indemnity.
7. Without prejudice to any other rights and remedies available to you I/we agree that if I/we fail to pay on the due date for such payment or fail to perform in any way under the terms hereof you shall be entitled at any time without notice to me/us and without my/our consent to land, receive and insure the goods, and to sell by public auction or otherwise at such time and for such price as you think fit the entire shipment for my/our account and risk, and in your discretion either to credit my/our account therewith or to apply the net proceeds (after deducting payments for freight, insurance, commission and all charges) towards payment of any drawings honoured hereunder or under any credit. In the event of you exercising your rights hereunder I/we undertake to deliver to you such documents as may be required by Law or usage to enable such landing, receiving, insuring and sale to be effected. In the event of such sale I/we authorise you to retain commission of 2.5% of the gross proceeds after retaining your usual commission and paying the usual commission, fees or other charges to agents, brokers or others who may be employed by you or for you in the matter, and I/we further undertake to pay on demand the amount of any deficiency on such sale. I/We further empower you to collect any amounts due or to become due under the Marine or other Insurance Cover, the proceeds to be subject to the usual mercantile charges for commission and all other incidental expenses.
8. I/We undertake to indemnify you and to keep you indemnified against all liabilities, losses, damages, costs, expenses, claims, demands, actions and proceedings whatsoever which you may incur or sustain from or out of or by reason of or in any way connected with your opening and establishing the Credit.
9. For the issue of the credit I/we agree to pay commission at your usual rates, with which please debit any of my/our accounts with you no refunds being claimable by me/us in the event of the credit not being required, or on any amounts available under the credit being left undrawn.
10. To cover contingencies I/we undertake to deposit with you _____ to be accounted for by me/us when all your claims in respect of the credit have been satisfied.
11. Any notification and/or service charges imposed by correspondent and/or negotiating banks are for my/our account.
12. I/We agree that this credit shall be subject to Uniform Customs and Practice for Documentary Credit published (and amended from time to time) by the International Chamber of Commerce current at the time the credit is issued.
13. This Application and the Credit issued pursuant hereto shall be governed by, and construed in accordance with, Nigerian law and it is irrevocably agreed for you exclusive benefit that the courts of Nigeria are to have jurisdiction to settle any disputes which may arise out of or in connection with this Application and the Credit issued pursuant hereto and that accordingly any suit, action or proceeding arising out of or in connection with this Applicant and the Credit issued pursuant hereto (in this Clause referred to as "Proceedings") may be brought in such courts. Nothing in this Clause shall limit your right to take Proceedings against me/us in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.
14. I/We agree that the undertakings, authorities, indemnities and agreements contained herein are in addition and without prejudice to any other security which you may now or subsequently hold and are not affected by any intermediate payment or settlement of account.
15. No delay or omission on your part in exercising any right, power, privilege or remedy contained herein or in the Credit shall impair such rights, powers, privileges or remedies or be construed as a waiver of it, nor shall any single or partial exercise of any such right, power, privilege or remedy preclude any further exercise of it or any other such right, power, privilege or remedy. The rights, powers, privileges and remedies contained herein are cumulative and not exclusive of any rights powers privileges and remedies provided by the law.

For and on behalf of
Signature(s) of Applicant(s)

Dated this.....day of20

Authorised Signatory/Signatories (as applicable under the mandate provided to the Bank)
(place N1.00 stamp(s) and endorse on
top of same with signatures of